

**South Dakota Science and Technology Authority Board of Directors
Special Telephonic Meeting Minutes
Tuesday, February 25, 2020
Lead, South Dakota**

The Board of Directors of the South Dakota Science and Technology Authority (SDSTA) convened at 8:01 a.m. Mountain Time (MT) on Tuesday, February 25, 2020, via teleconference. The SDSTA office was closed at the time of the board meeting due to inclement weather and a conference number was posted on the agenda for members of the public to call in.

MEMBERS OF THE BOARD IN ATTENDANCE BY TELEPHONE

Vice-Chairperson Dana Dykhouse
Secretary/Treasurer Patricia Lebrun
Mr. Roger Musick
Chairperson Casey Peterson
Vice-Chairperson Ron Wheeler
Dr. Robert Wilson

MEMBERS OF THE BOARD ABSENT

Dr. Ani Aprahamian
Dr. James Rankin, *ex-officio member*

SDSTA STAFF IN ATTENDANCE

Mr. Tim Engel, Legal Counsel (by phone)
Ms. Pam Hamilton, Project Manager for Organizational Development
Mr. Mike Headley, Executive Director (by phone)
Ms. Mandy Knight, Administrative Services Manager
Mr. Will McElroy, Operations Program Manager
Ms. Staci Miller, SURF Foundation Director

ITEM 1. CALL TO ORDER

Chair Casey Peterson called the meeting to order at 8:01 a.m. (MT). Chair Peterson declared a quorum was present, consisting of board members Mr. Dana Dykhouse, Ms. Pat Lebrun, Mr. Roger Musick, Chair Peterson, Mr. Ron Wheeler and Dr. Bob Wilson. Dr. Aprahamian and Dr. Rankin were absent.

The SDSTA office was closed at the time of the meeting due to inclement weather. Chair Peterson asked participants to identify themselves. Mr. Tim Engel, Ms. Pam Hamilton, Mr. Mike Headley, Ms. Mandy Knight, Mr. Will McElroy and Ms. Staci Miller joined by phone.

ITEM 2. APPROVE AGENDA

Chair Peterson asked for a motion to approve the agenda.

Motion by Ms. Lebrun and seconded by Mr. Wheeler to approve the agenda as presented. By roll call vote, the motion passed unanimously.

ITEM 3. GENERAL CONFLICT OF INTEREST DISCLOSURE

Mr. Engel asked if any member of the board, who feels they have anything that might be construed to be a conflict of interest, to disclose it verbally.

No conflicts of interest were disclosed.

ITEM 4. APPROVAL OF CHANGE ORDER FOR SDSTA MAINTENANCE SUPPORT FACILITY CONSTRUCTION CONTRACT

Mr. Headley provided an update on the Maintenance Support Facility and the pending contract change order to authorize construction. He said a Construction Manager at Risk (CMAR) contract was signed with Dean Kurtz Construction from Rapid City in June 2019 with the understanding that construction would follow completion of demolition and final design. There was initial discussion to perform foundation work in the first phase, but Mr. Headley said it has since been decided to combine the foundation work and the construction services in one package with Dean Kurtz. By the end of February, Kurtz will receive and open the final bids for the 28 construction work packages making up the construction work to be covered by the Change Order.

Dean Kurtz recently submitted their Guaranteed Maximum Price (GMP) of \$5,136,424 to build the facility as designed. If the proposed GMP is approved, the total Kurtz contract value would be \$5,713,039.66.

Dr. Wilson pointed out the text does not match the numerical dollar values in the draft contract. Mr. Headley and Mr. Engel confirmed they are typographical errors and will be corrected. The numeral values are the correct amounts.

Mr. Headley also stated the date in paragraph A should read April 12, not May 15, and it will also be corrected.

In regard to the bids, Mr. Headley said if they come in lower than the GMP, SDSTA will receive the savings and SDSTA's liability will be limited to the GMP if the bids come in higher than planned.

Chair Peterson asked if the additional ~\$200K to the GMP is higher because of office space and Mr. Headley confirmed that the increase is due to the build out of additional office and support areas on the mezzanine level for a total of 27 office spaces in the building. He said this change should really help the near-term office space crunch. It will also free up office space in the Administration Building as the engineering staff will move to the new Maintenance Support Facility.

Chair Peterson then asked if SDSTA will recover any cost with overhead? Mr. Headley said it is State money, so probably yes, and he will verify with Ms. Geary on the exact dollar amount.

Ms. Lebrun asked for clarification of the \$576,000 (the difference of the GMP of \$5,136,424 and the contract value \$5,713,040). Mr. Headley replied the difference is the amount already paid for the design effort and demolition work as well as the additional cost for construction.

Motion by Mr. Dykhouse and seconded by Mr. Musick to approve the Change Order to the SDSTA Maintenance Support Facility construction contract between SDSTA and Dean Kurtz Construction as presented with the clarifications provided and to authorize the SDSTA Executive Director to sign the Change Order. Motion passed unanimously.

ITEM 5. PUBLIC COMMENTS

There were no public comment forms submitted at the beginning of the meeting.

ITEM 6. BOARD COMMENTS

Chair Peterson asked if there were any questions or comments from the board. Mr. Wheeler said it is good to see this project moved forward and look forward to seeing everyone at the next board meeting. There were no other comments from the board. Mr. Headley recognized Ms. Hamilton and the team for their hard work on this project and is excited to move forward.

ITEM 7. ADJOURN

Chairperson Peterson reminded board members the next regularly scheduled board meeting will be held on Thursday, March 19, 2020 at 8:00 a.m. (MT). He also mentioned the upcoming SURF Foundation board meeting on Friday. He called for a motion to adjourn.

Motion by Mr. Musick and seconded by Mr. Dykhouse to adjourn. By roll call vote, the motion passed unanimously.

Meeting adjourned at 8:17 a.m. (MT) on February 25, 2020.